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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	92061796
Party	Plaintiff Spansion LLC
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Date	09/16/2015
Attachments	Opposition to Kingston Motion to Dismiss Spansion Petition for Cancellation 835347.pdf(85912 bytes) Exhibit 1 - Board order.pdf(75767 bytes)

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

US Trademark Registration No. 4,721,431 for HYPERX SKYN
Registered: November 22, 2014

Spansion LLC,)	
)	
Petitioner,)	
)	
v.)	Cancellation No. 92061796
)	
Kingston Technology Corporation,)	
)	
Registrant.)	
_____)	

**SPANSION’S MEMORANDUM IN OPPOSITION TO
KINGSTON’S MOTION TO DISMISS AMENDED PETITION FOR CANCELLATION**

NOTE: Similar motions/responses are on file in related matters (Nos. 91222728 and 91218100).

I. INTRODUCTION.

 In its Motion to Dismiss, Registrant, Kingston Technology Corporation (“Kingston”), largely ignores the actual allegations made by Petitioner, Spansion LLC (“Spansion”), in its First Amended Petition for Cancellation. Instead, Kingston attempts to argue the merits of the claims in this Cancellation action, as it has done previously in a related proceeding between the same parties in which Spansion filed counterclaims (Opposition No. 91218100). When Kingston does discuss Spansion’s pleadings, it omits relevant portions of those allegations and/or takes the allegations out of context in an attempt to distort the claims made by Spansion.

 When Spansion’s allegations are viewed in their entirety, they adequately allege that Spansion has a real interest in this proceeding sufficient to give it standing to challenge Kingston’s registration. Further, Spansion’s allegations are non-conclusory, specific, supported by numerous factual allegations, and present a plausible claim that the “HYPERX” element of

Kingston's HYPERX SKYN mark is descriptive when used in connection with the products identified in Kingston's registration. As a result, Kingston's Motion to Dismiss should be denied.

II. PROCEDURAL BACKGROUND.

Spansion owns a pending application to register the mark HYPERRAM for use in connection with "volatile memory devices, namely, random-access memory semiconductor chips; applications and utility software for functions associated with random-access volatile memory devices, namely, code and data management software and random-access memory semiconductor chip drivers." (Application Serial No. 86/189,104). On August 28, 2014, Kingston filed its initial Notice of Opposition against Spansion's HYPERRAM application. (Hereinafter referred to as "Opposition No. 91218100" or "Kingston's Opposition"). In its initial Notice, Kingston alleged two alternative grounds for opposition – that Spansion's registration of the mark HYPERRAM was likely to be confused with Kingston's HYPERX and HYPERX BEAST marks for various computer memory products, and that Spansion's HYPERRAM mark was merely descriptive and/or generic. *See* Opposition No. 91218100, Kingston's Initial Notice of Opposition. Kingston later filed an Amended Notice of Opposition to delete likelihood of confusion as a ground for the opposition.

On February 12, 2015, Spansion timely filed its Answer, in which it also asserted counterclaims seeking cancellation or limitation of the non-incontestable HYPERX and HYPERX BEAST registrations asserted in Kingston's Amended Notice of Opposition. (Hereinafter referred to as the "Counterclaims"). Spansion's Counterclaims alleged that, due to Kingston's assertion in its Amended Notice of Opposition that the term "HYPER" is descriptive of computer and electronics products (Opposition No. 91218100, Kingston's Amended Notice of

Opposition at pp. 4-5, ¶¶ 8, 12), the combination of that term with the non-distinctive letter “X” likewise rendered Kingston’s HYPERX mark merely descriptive. To preserve its position regarding its own HYPERRAM mark, Spansion’s Counterclaims included allegations in which Spansion stated:

As set forth in its Answer, Spansion denies that the prefix “hyper” is a merely descriptive term as applied to electronic and computer goods or that the mark HYPERRAM is descriptive. However, to the extent that the Trademark Trial and Appeal Board finds otherwise, [Kingston’s] use of the prefix “hyper” with the non-distinctive character “x” for electronic and computer goods in the mark HYPERX is likewise merely descriptive, as it simply constitutes a combination of the same prefix “hyper” and the highly descriptive or generic term “x.”

See Opposition No. 91218100, Spansion’s Answer and Counterclaims at p. 6, ¶ 10. Kingston then moved to dismiss the Counterclaims, arguing that (a) all of its asserted HYPERX and HYPERX BEAST registrations should be considered incontestable in light of the fact that one of its asserted HYPERX registrations had attained that status, and (b) Spansion’s claims were insufficiently pleaded.

Around that time, Spansion learned that Kingston was attempting to expand the use of its “HYPERX” mark to a variety of other related computer goods and accessories. Concerned by this potential expansion of a family of HYPERX marks, on July 8, 2015, Spansion filed the instant cancellation action against Kingston’s newly-issued registration of HYPERX SKYN for “Computer accessories, namely, mouse pads for use with electronic and online gaming.” At the same time, Spansion also opposed Kingston’s pending applications to register HYPERX and HYPERX BLITZ for mouse pads, headphones, headsets, and related accessories. (Hereinafter referred to as “Opposition No. 91222728” or “Spansion’s Opposition”). As in its Counterclaims, Spansion asserted that Kingston’s HYPERX marks were merely descriptive based, in part, on

Kingston's own allegations in Opposition No. 91218100 as to the descriptiveness of the term "HYPER" when used in connection with computer and electronics products.

On July 24, 2015, the Board upheld Kingston's Motion to Dismiss the Counterclaims in Opposition No. 91218100 on the question of the sufficiency of the allegations and gave Spansion the opportunity to replead them. The Board noted that Spansion needed to provide additional facts to support its descriptiveness claims and "allege how HYPERX, when applied to [Kingston's] specific goods would be perceived by the consuming public to convey a descriptive meaning." *See* Opposition No. 91218100, Board's July 24, 2015 Order (hereinafter referred to as the "July 24th Order"), at p. 7. For ease of reference, a copy of the July 24th Order is attached hereto as **Exhibit 1**. Notably, the Board did not take issue with Spansion's attempt to preserve its position as to Kingston's claims by including in its Counterclaims a statement denying that Spansion's HYPERRAM mark, or the term "HYPER," was descriptive.

On August 13, 2015, Spansion filed its First Amended Petition for Cancellation ("Spansion's Amended Petition") in this proceeding, as well as its First Amended Notice of Opposition ("Spansion's Amended Notice") in Opposition No. 91222728, to correct any potential deficiencies in those pleadings in light of the July 24th Order. On August 18, 2015, Spansion also filed its First Amended Counterclaims in Opposition No. 91218100 to comply with the July 24th Order.

On August 27, 2015, Kingston filed similar motions to dismiss in all three proceedings. In its motions, Kingston argues that Spansion's amended pleadings do not state a plausible claim that Kingston's HYPERX marks are descriptive because (a) Spansion fails to address how the mark HYPERX is descriptive in light of Spansion's denial that the term "HYPER" is itself descriptive; and (b) Spansion conditions its claims on a not-yet-rendered decision by the Board

in Opposition No. 91218100 without showing how such a decision would be relevant to the instant proceeding. With regard to Spansion's Amended Petition and Amended Notice, Kingston also argues that Spansion failed to adequately allege standing.

III. ARGUMENT.

In order to withstand a motion to dismiss, Spansion's Amended Petition need only "state a claim to relief that is plausible on its face." *Ashcroft v. Iqbal*, 556 U.S. 662, 678 (2009) (quoting *Bell Atl. Corp. v. Twombly*, 550 U.S. 544, 570 (2007)). In the context of an *inter partes* proceeding, a petition for cancellation "need only allege such facts as would, if proved, establish that petitioner is entitled to the relief sought, that is, that 1) petitioner has standing to maintain the proceeding, and 2) a valid ground exists for cancelling the subject registration." *See Petroleos Mexicanos v. Intermix S.A.*, 97 USPQ2d 1403, 1404, (TTAB 2010). In determining the sufficiency of the pleading, "all of the petitioner's well-pleaded allegations must be accepted as true, and the complaint must be construed in the light most favorable to petitioner. The pleading must be construed so as to do justice, as required by Fed. R. Civ. P. 8(e)." *Id.* at 1405. *See also Ritchie v. Simpson*, 170 F.3d 1092, 1097 (Fed. Cir. 1999) ("For purposes of ruling on a motion to dismiss for want of standing, a reviewing court must accept as true all well-pled and material allegations of the complaint, and must construe the complaint in favor of the complaining party.").

Moreover, the motion to dismiss stage is not an opportunity to examine the merits of a proceeding or determine whether the petitioner's claims can be proved at trial. *See* Trademark Trial and Appeal Board Manual of Procedure ("TBMP"), § 503.02 ("[A] plaintiff served with a motion to dismiss need not, and should not respond by submitting proofs in support of its complaint. Whether a plaintiff can actually prove its allegations is a matter to be determined not

upon motion to dismiss, but rather at final hearing or upon summary judgment.”). *See also Hall v. Bed Bath & Beyond, Inc.*, 705 F.3d 1357, 1364 (Fed. Cir. 2013) (“Whether the facts as plausibly pleaded can be proved is a matter for trial.”); *Firestone Fin. Corp. v. Meyer*, ___ F.3d ___, 2015 WL 4720281, *3 (7th Cir. 2015) (“The relevant question under these cases is *not* whether a complainant’s factual allegations are true, but rather whether the complaint contains sufficient factual matter, *accepted* as true, to state a claim to relief that is plausible on its face.” (emphasis in original, internal quotations omitted)).

A. Spancion’s Amended Petition Adequately Pleads Standing By Alleging Competition Between the Parties and Damage From the Registration of Kingston’s HYPERX SKYN Mark.

In a cancellation action involving a claim that the subject mark is descriptive, the petitioner “may plead (and later prove) its standing by alleging that it is engaged in the sale of the same or *related* products or services (or that the product or service in question is within the normal expansion of [petitioner’s] business) and that the [petitioner] has an interest in using the term descriptively in its business.” TBMP, § 309.03(b) (emphasis added). *See also Eastman Kodak Co. v. Bell & Howell Document Mgmt. Prods. Co.*, 23 U.S.P.Q.2d 1878, 1879 (TTAB 1992) (“[Petitioner] may establish its standing by pleading and then proving that it is engaged in the manufacture of the same or *related* products or that the product in question is within the normal expansion of [petitioner’s] business.”) (emphasis added); *Southwire Co. v. Kaiser Aluminum & Chem. Corp.*, 196 U.S.P.Q. 566, 572 (TTAB 1977) (Plaintiff need only “show that it is engaged in the same or a *similar* business as applicant and that damage to it will ensue if fair use of the term by it or its customers to describe their goods will be denied by the registration sought.”) (emphasis added).

1. Spansion's Amended Petition Includes Specific Allegations That the Identified Goods Are Related to Spansion's Goods or Are Within the Normal Expansion of Spansion's Business.

Kingston argues that Spansion fails to allege that the parties are competitors, asserting that its identified goods “are principally mouse pads for gaming,” while referring to Spansion’s line of business only as “computer memory and computer embedded systems.” See Kingston’s Motion to Dismiss at p. 7. As Kingston does repeatedly in its Motion, this assertion misquotes Spansion’s Amended Petition to distort the actual allegations.¹

In contrast, in the *actual* language of the Amended Petition, Spansion describes its line of business in full as follows:

Spansion is one of the leading manufacturers of computer memory products and embedded systems solutions, *including a broad portfolio of flash memory microcontrollers, mixed-signal and analog products, and system-on-chip solutions. Such products have a wide variety of applications, including in connection with consumer electronics, industrial and automotive applications.*

Spansion’s Amended Petition, ¶ 1 (emphasis added). Read in its entirety, this allegation constitutes sufficient pleading of competition between Spansion and Kingston in relation to the identified goods.

Common definitions of terms contained in Spansion’s allegation, of which the Board is permitted to take judicial notice, show the relationship between Spansion’s goods and Kingston’s

¹ Kingston also relies on case law that is inapposite. To support its position that Spansion did not allege that the parties are competitors, Kingston cited *No Nonsense Fashions, Inc. v. Consolidated Foods Corp.*, 226 USPQ 502 (TTAB 1985). Rather than dealing with whether a party adequately alleged standing in a pleading context, the case dealt with a final decision on the merits finding that the petitioner failed to prove standing.

identified goods.² Spansion's allegation notes that it makes "embedded systems," which are computer systems that are "embedded" within other electronic devices. *See, e.g.,*

<http://dictionary.reference.com/browse/embedded+system>;
http://en.wikipedia.org/wiki/Embedded_system;
pcmag.com/encyclopedia/term/42554/embedded-system.

Thus, "embedded systems" may be installed in goods that are competitive with and/or related and complementary to Kingston's identified goods.

Indeed, Spansion specifically alleges that its "embedded systems" are used "in connection with consumer electronics." The category of "consumer electronics" includes products that are competitive with or related and complementary to the identified goods – such as noise-cancelling headphones, MP3 players, video game consoles, or a wireless computer mouse. *See, e.g.,*

http://en.wikipedia.org/wiki/Consumer_electronics;
pcmag.com/encyclopedia/term/40255/consumer-electronics;
webopedia.com/TERM/C/consumer_electronics.html.

Read in context, then, the allegation that Spansion engages in the manufacture of "embedded systems ... [with] a wide variety of applications, including in connection with consumer electronics," alleges that Spansion makes or sells products that are competitive with and/or

² "[T]he Board may take judicial notice of dictionary definitions including online definitions if the dictionary is readily available and verifiable." *In re Beck*, 114 USPQ2d 1048, 1050 n. 2 (TTAB 2015) (citing TBMP § 704.12 (2014)). This standard also applies in the context of motions to dismiss. *See The Scotch Whisky Ass'n v. United States Distilled Prods. Co.*, 13 USPQ2d 1711, 1713 n. 1 (TTAB 1989) ("A motion for judgment on the pleadings must be sustained by the undisputed facts in all the pleadings, supplemented by any facts of which the Board will take judicial notice."). *See also Weston Funding, LLC v. Consorcio G Grupo Dina, S.A. de C.V.*, 451 F. Supp. 2d 585, 588 (S.D.N.Y. 2006) ("On a motion to dismiss, in addition to any allegation of the plaintiff's complaint, the court may 'consider matters of which judicial notice may be taken under Fed. R. Evid. 201.'" (quoting *Kramer v. Time Warner Inc.*, 937 F.2d 767, 773 (2d Cir. 1991)). Consideration of such evidence in a Board case does not convert the motion to one for summary judgment. TBMP § 503.04.

related to Kingston's identified goods, or that those goods are within the natural expansion of Spansion's business. These statements sufficiently allege that the parties are in competition for purposes of determining standing.³

2. Spansion Specifically Alleges that it is Damaged by Kingston's HYPERX SKYN Registration and Its Family of HYPERX Marks.

Spansion also adequately alleges that it is damaged by Kingston's registration of the HYPERX SKYN mark. First, Spansion alleges that it has an interest in using "HYPER"-based terms in its business, and that its ability to do so is impacted by Kingston's actions. *See, e.g.*, Spansion's Amended Petition, at ¶ 2. In addition, Spansion alleges that Kingston's attempts to create a family of HYPERX marks for use in connection with computer and electronics products is damaging to Spansion. *See id.* at ¶ 16.

Kingston somehow claims that Spansion's allegation of damage is insufficient because Spansion does not allege "how an attempt to create a family of marks damages Spansion," and that there is purportedly no allegation "providing a nexus between damage to Spansion and any contribution to a family of marks of the term HYPERX in the HYPERX SKYN Registration." *See* Kingston's Motion to Dismiss, at p. 8. Kingston cites no case law to support its position that a petitioner must take these extra steps to show damage in this situation.

³ Indeed, acknowledgment of the parties' competition was at the heart of Kingston's original claims, as evidenced by its original Notice of Opposition that pleaded the now now-withdrawn claim for likelihood of confusion. Kingston alleged that the parties' goods would "be sold through the same and/or similar channels of trade, and/or to the same general class of purchasers in and to which Opposer's products are marketed and/or sold." (Opposition No. 91218100, Kingston's Notice of Opposition, ¶ 7). Spansion's products are used in popular gaming consoles and related consumer electronics products.

As noted above, all that is required is that Spansion allege that it believes it is damaged by Kingston's registration. *See, e.g.*, TBMP § 309.03(b). That is exactly what Spansion has done. Spansion specifically alleged that it has an interest in using the term "HYPER" in connection with its business, and alleged that Kingston's attempt to create a family of similar, HYPERX marks damages Spansion. *See* Spansion's Amended Petition, ¶¶ preface, 1-3, 16. When a family of marks exists, a junior user's mark can be determined to be confusingly similar to the family of marks as a whole, even if it is not confusingly similar to any particular mark in the family. *See, e.g.*, 4 McCarthy on Trademarks and Unfair Competition, 4th Ed., § 23:61. As the family of marks is used with a broader array of goods and services, the family becomes stronger and protection of the family of marks is broadened. *See, e.g., McDonald's Corp. v. McClain*, 37 USPQ2d 1274, 1276 (TTAB 1995) ("[I]n view of the strength of opposer's famous family of marks, and the fact that opposer uses its marks, and licenses its marks, on a wide variety of goods and services ... consumers are likely to believe that opposer is connected to applicant's operation in some way."). Thus, if Kingston is allowed to create a family of HYPERX marks for a growing variety of goods in Class 9, it may make it more difficult for other parties, such as Spansion, to use similar HYPER-based marks for any variety of Class 9 goods, or to use the term "HYPER" descriptively in their business. Thus, Spansion's allegations of damage are sufficient.

B. Spansion Has Properly Pleaded Descriptiveness, With Specificity As To the Identified Goods.

In the July 24th Order, the Board suggested that Spansion's pleadings should "allege how HYPERX, when applied to [Kingston's] specific goods would be perceived by the consuming public to convey a descriptive meaning." *See Exhibit 1*, July 24th Order at p. 7. That is exactly what Spansion's Amended Petition does.

1. Spansion’s Amended Petition Provides Specific Allegations, Supported by Facts, As To the Descriptiveness of Kingston’s HYPERX SKYN Mark in Connection With the Identified Goods.

Spansion’s Amended Petition specifically alleges how the HYPERX element of Kingston’s HYPERX SKYN mark conveys a descriptive meaning when used in connection with the identified goods. Using Kingston’s own allegations, Spansion first notes how the term “HYPER” could be perceived as being descriptive of the identified goods. *See* Spansion’s Amended Petition, at ¶¶ 5 and 8. Spansion then provides information about the descriptive nature of the term “X” specifically when used in connection with Kingston’s identified goods. *See id.*, at ¶¶ 9-10. Combining these two concepts, Spansion then provides a plausible meaning of the composite term “HYPERX” specifically when used in connection with the identified goods.⁴ *See id.*, at ¶¶ 11, 15.

The July 24th Order also suggested that Spansion needed to support its descriptiveness claims with additional facts. Thus, in its Amended Petition, Spansion includes a number of factual allegations supporting the descriptiveness of the HYPERX element of Kingston’s HYPERX SKYN mark. These factual allegations are supported by reference to multiple statements made by Kingston and third-parties about the specific Kingston HYPERX products that are the subject of this proceeding. *See* Spansion’s Amended Petition, at ¶¶ 12-14. These

⁴ Kingston also appears to argue that Spansion provides “multiple possibilities” for the meaning of Kingston’s HYPERX marks. *See* Kingston’s Motion to Dismiss, at pp. 12. As it does throughout much of its brief, Kingston creates this argument by improperly parsing Spansion’s allegations, rather than reading them as a whole. As noted above, when read in context, Spansion’s allegations provide a plausible descriptive meaning for Kingston’s HYPERX marks that describes the features and characteristics of the identified goods. Spansion’s Amended Petition, ¶ 21. Moreover, at its heart, Kingston’s argument goes to the merits of Spansion’s claims, rather than the pleading of those claims, and is thus not properly raised in a motion to dismiss. *See infra* at pp. 14-15.

statements make clear the plausibility that consumers would perceive Kingston's HYPERX marks as being descriptive.

2. Spansion is Entitled to Preserve its Litigation Position by Pleading Alternative and Inconsistent Theories.

In its Motion to Dismiss, Kingston does not suggest that Spansion's Amended Petition fails to allege descriptiveness in a manner consistent with the July 24th Order. Rather, Kingston focuses its attack on one paragraph in Spansion's Amended Petition. Specifically – again quoting out of context – Kingston asserts that in paragraph 22, Spansion “expressly denie[s]” that the term “HYPER” is descriptive, and alleges that Spansion therefore fails to address the descriptiveness of the full HYPERX mark in light of this purported “express denial.” *See* Kingston's Motion to Dismiss, at pp. 9-10.

Kingston's argument is a red herring. For one thing, this contention attaches significance to one allegation in Spansion's Amended Petition at the expense of numerous other allegations (*i.e.*, ¶¶ 5, 8-16, and 18-21). Further, as explained above, there is no dispute that this proceeding is related to another opposition between the parties, in which Kingston challenges Spansion's HYPERRAM mark as being merely descriptive.⁵ *See supra*, pp. 2-3. In the specific paragraph challenged by Kingston, Spansion is preserving its litigation position in Kingston's Opposition, as it has the right to do.

⁵ Indeed, Spansion's allegations regarding the descriptive nature of the term “HYPER” are direct quotations of Kingston's own allegations from Opposition No. 91218100. *See* Spansion's Amended Petition, at ¶¶ 5, 18. *See also* Opposition No. 91218100, Kingston's Amended Notice of Opposition, at ¶¶ 8, 12.

There is nothing improper with Spansion's approach, nor does Kingston cite any case law suggesting otherwise.⁶ See Kingston's Motion to Dismiss, at pp. 9-10. Spansion's position is akin to a party arguing alternative, inconsistent theories – something that is explicitly allowed for in the Federal Rules of Civil Procedure. See Fed. R. Civ. P. 8(d)(2) (“A party may set out 2 or more statements of a claim or defense alternatively or hypothetically ... If a party makes alternative statements, the pleading is sufficient if any one of them is sufficient.”) and Fed. R. Civ. P. 8(d)(3) (“A party may state as many separate claims or defenses as it has, regardless of consistency.”). See also TBMP § 309.03(a)(2); *Humana Inc. v. Humanomics, Inc.*, 3 USPQ2d 1696, 1698 (TTAB 1987) (“Applicant's argument that it could not have petitioned to cancel because its allegations of likelihood of confusion and damage in such a petition would have been inconsistent with its position here ... is not well founded. In these circumstances, applicant could have raised the priority issue in a counterclaim by pleading likelihood of confusion hypothetically, notwithstanding the inconsistency of that pleading with its position in the opposition.”).

Moreover, an allegation about a petitioner's “express denial” of descriptiveness is not the issue; rather, the key to a determination of descriptiveness is consumer perception of the mark. See, e.g., 4 McCarthy on Trademarks and Unfair Competition, 4th Ed., § 11:16 (“The general rule is that descriptiveness is tested by the meaning of the mark to the reasonably informed buyer.”) (internal quotations omitted). In other words, if consumers perceive Kingston's HYPERX mark

⁶ As noted above, a nearly identical allegation to the one Kingston complains about here was included in Spansion's initial Answer and Counterclaims in Opposition No. 91218100. See *supra*, pp. 2-3. In its ruling on Kingston's prior motion to dismiss Spansion's Counterclaims, the Board did not note that there was anything improper about this particular allegation. See Exhibit 1, the July 24th Order.

to be descriptive of the identified goods, it does not matter whether Spansion believes the term “HYPER” is descriptive. Spansion’s Amended Petition pleads allegations that show why consumers – particularly those in the targeted gaming market – are likely to view Kingston’s HYPERX mark as descriptive of the identified goods. Further, the Amended Petition provides factual support for those allegations – namely, statements from Kingston that target gaming consumers and encourage them to focus on the speed of Kingston’s HYPERX products. *See supra*, pp. 8-9. Spansion’s amended pleading is, therefore, sufficient.

**3. Kingston’s Argument Regarding the “Contingent” Nature of
Spansion’s Petition is an Improper Attempt to Argue the Merits.**

Kingston also argues that Spansion’s Amended Petition is improper because it contains “a contingent allegation of descriptiveness based on the possibility of a yet to exist ruling of the Board in a separate proceeding, Opposition No. 91218100.” *See* Kingston’s Motion to Dismiss, at p. 10.⁷ Kingston further asserts that “there are no factual allegations that any yet to exist ruling of the Board will be relevant to the present Cancellation.” *See id.* at p. 5.

Kingston’s argument that there are no factual allegations regarding the relevance of Opposition No. 91218100 to the claims in this proceeding is simply wrong. In its Amended Petition, Spansion states: “The parties’ assertions, claims, and counterclaims in Opposition No. 91218100 are directly related to the claims in the instant opposition proceeding.” Spansion’s

⁷ Although Kingston argues that a ruling in Opposition No. 91218100 would have no bearing on this case (an argument that is addressed below), it notes at the outset of its Motion that “Similar motions are on file in copending matters Nos. 92061796 & 91218100.” *See* Kingston’s Motion to Dismiss, at p. 1. Further, given the related nature of these proceedings – all three are between Kingston and Spansion, and involve claims that the mark HYPERX is merely descriptive for various computer and electronics products in Class 9 – these proceedings are not only relevant to one another, but ripe for consolidation once issue is joined or earlier at the Board’s discretion. *See* TBMP § 511.

Amended Petition, at ¶ 16. Moreover, both proceedings address the same HYPER prefix for related goods in Class 9. Spansion's allegations are sufficient to allege that a ruling in Kingston's Opposition would have at least persuasive value in this case.

Kingston's Motion to Dismiss simply ignores Spansion's statement in paragraph 16 and instead asserts that "HYPERRAM is a contextually different trademark from HYPERX," and thus "the analysis of HYPERX cannot be equated with the analysis of HYPERRAM." Kingston's Motion to Dismiss, at p. 10. Kingston then spends the remainder of its Motion arguing that Spansion's HYPERRAM mark is descriptive, while its own HYPERX marks are not. *See id.* at pp. 10-13. This is nothing more than an attempt to argue the merits of the claims and counterclaims between the parties in these proceedings. As the Board has already noted, it is improper for Kingston to argue the merits at the motion to dismiss stage. *See Exhibit 1*, July 24th Order, at pp. 2 ("At the motion to dismiss stage, the Board does not consider the merits of the plaintiff's standings or its claims, but only considers whether the pleading is sufficient to state a claim for relief that is plausible on its face."). Whether Spansion's HYPERRAM mark or Kingston's HYPERX marks are descriptive is the ultimate issue to be determined in these proceedings, not something to be determined on a motion to dismiss.

C. The Proper Remedy for Insufficient Pleading is Leave to Replead, Not Dismissal With Prejudice.

As discussed above, Spansion believes its claims are adequately pleaded; however, should the Board conclude that Spansion's claims are insufficient, the proper remedy is the grant of leave to replead. When the Board grants a motion to dismiss for failure to state a claim, "the Board generally will allow the plaintiff an opportunity to file an amended pleading." TBMP § 503.03 (citing *Intellimedia Sports Inc. v. Intellimedia Corp.*, 43 USPQ2d 1203, 1208 (TTAB 1997); *Miller Brewing Co. v. Anheuser-Busch Inc.*, 27 USPQ2d 1711, 1714 (TTAB 1993);

Intersat Corp. v. Int'l Telecomm. Satellite Org., 226 USPQ 154, 156 (TTAB 1985)).

Accordingly, it is respectfully submitted that, should the Board find that Spansion's claims are insufficient in any respect, Spansion should be given leave to replead to clarify its claims.

IV. CONCLUSION.

Spansion's Amended Petition provides specific allegations regarding competition between the parties, damage to Spansion, and how consumers may perceive Kingston's HYPERX marks as descriptive when used in connection with the identified goods. These allegations are supported by sufficient factual matter to make Spansion's claims plausible on their face. As such, Spansion's Amended Petition fairly responds to the concerns raised by the Board in its July 24th Order in a related proceeding, and Kingston's Motion to Dismiss should be denied.

Respectfully submitted,

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Date: September 16, 2015

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CERTIFICATE OF SERVICE

I, Belinda J. Scrimenti, hereby certify that a true and accurate copy of the foregoing Spansion's Memorandum in Opposition to Kingston's Motion to Dismiss Amended Petition for Cancellation was served by first class mail, postage prepaid, with a courtesy copy by email, this 16th day of September 2015, on the following counsel for Registrant Kingston Technology Corporation:

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EXHIBIT 1

UNITED STATES PATENT AND TRADEMARK OFFICE
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wbc

Mailed: July 24, 2015

Opposition No. 91218100

Kingston Technology Corporation

v.

Spanison LLC

By the Trademark Trial and Appeal Board:

On March 27, 2015, in lieu of an answer, Opposer filed a motion to dismiss Applicant's counterclaims under Fed. R. Civ. P. 12(b)(6) for failure to state a claim. The motion has been fully briefed. The Board has considered the parties' submissions and presumes the parties' familiarity with the factual bases for the motion, and does not recount them here.

A motion to dismiss under Rule 12(b)(6) is a test of the sufficiency of a complaint. *See* TBMP § 503.02 (2015). To survive such a motion, a party need only allege sufficient factual matter that would, if proved, establish that (1) the party has standing to maintain the proceeding, and (2) a valid ground exists for opposing or cancelling the mark. *Young v. AGB Corp.*, 152 F.3d 1377, 47 USPQ2d 1752, 1754 (Fed. Circ. 1998); *Lipton Industries, Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 213 USPQ 185, 187 (CCPA 1982). Specifically, "a complaint must contain sufficient factual matter, accepted as true, to state a claim to relief that is plausible on its face." *Ashcroft v. Iqbal*, 556 U.S. 662, 129 S.Ct. 1937, 1949-50 (2009), *quoting Bell Atlantic*

Corp. v. Twombly, 550 U.S. 544, 570 (2007). In the context of *inter partes* proceedings before the Board, a claim has facial plausibility when the party pleads factual content that allows the Board to draw a reasonable inference that the party has standing and that a valid ground for the opposition or cancellation exists. *Young v. AGB Corp.*, 47 USPQ2d at 1754; see *Twombly*, 550 U.S. at 556, 127 S.Ct. at 1955; TBMP § 503.02. In particular, a party need only allege "enough factual matter ... to suggest that [a claim is plausible]" and "raise a right to relief above the speculative level." *Totes-Isotoner Corp. v. U.S.*, 594 F.3d 1346, 1354 (Fed. Cir. 2010).

As a preliminary matter, Opposer, in its motion, prematurely argues the merits of Applicant's claims in addition to arguing that such claims are insufficiently pleaded.¹ At the motion to dismiss stage, the Board does not consider the merits of the plaintiff's standing or its claims, but only considers whether the pleading is sufficient to state a claim to relief that is plausible on its face. *Bell Atl. Corp. v Twombly*, 550 U.S. 544, 570 (2007); *Libertyville Saddle Shop Inc. v. E. Jeffries & Sons, Ltd.*, 22 USPQ2d 1594, 1597 (TTAB 1992) ("A motion to dismiss does not involve a determination of the merits of the case"). In view thereof, and inasmuch as the parties devote much of their arguments to the sufficiency of the pleadings, the Board

¹ Opposer argues that Applicant's counterclaims should be dismissed because, *inter alia*, it owns an incontestable registration for HYPERX (Registration No. 2848874) which is "conclusive evidence of the validity of the registered marks." *Motion* at pp. 6-7. Opposer further argues that the goods of the incontestable registration "are the same" as the goods for the registrations subject to Applicant's counterclaims. *Id.* at p. 5. Whether Opposer's marks are valid go to the merits of Applicant's grounds for its counterclaims and as such, is prematurely argued at this stage of the proceedings.

has not considered the multitude of arguments on the merits that both parties have made in considering the motion to dismiss.²

Standing

Opposer has not argued that Applicant has not pleaded standing. A counterclaimant's standing to cancel a pleaded registration is inherent in its position as defendant in the original proceeding. *See Delaware Quarries, Inc. v. PlayCore IP Sub, Inc.*, 108 USPQ2d 1331, 1332 (TTAB 2013); *Finanz St. Honore B.V. v. Johnson & Johnson*, 85 USPQ2d 1478, 1479 (TTAB 2007); *Carefirst of Maryland, Inc. v. FirstHealth of the Carolinas Inc.*, 77 USPQ2d 1492, 1502 (TTAB 2005). Applicant's standing, as the defendant in this proceeding, is thus, properly pleaded.

In its counterclaims, Applicant argues that Opposer's marks are descriptive and/or generic and further seeks relief under Section 18.

Descriptiveness

A term is considered descriptive within the meaning of Section 2(e)(1) if it forthwith conveys an immediate idea of an ingredient, quality, characteristic, function or feature of the product in connection with which it is used. *See In re Bayer Aktiengesellschaft*, 488 F.3d 960, 82 USPQ2d 1828, 1831 (Fed. Cir. 2007); *In re MBNA America Bank N.A.*, 340 F.3d 1328, 67 USPQ2d 1778, 1780 (Fed. Cir. 2003); *In re Abcor Development Corp.*, 588 F.2d 811, 200 USPQ 215, 217-18 (CCPA 1978). A term need not immediately convey an idea of each and every specific feature of the

² It is well established that whether a plaintiff can actually prove its allegations is not a matter to be determined upon a motion to dismiss, but rather at final hearing or upon summary judgment, after the parties have had an opportunity to submit evidence. *See Libertyville Saddle Shop Inc. v. E. Jeffries & Sons, Ltd.*, 22 USPQ2d 1594, 1597 (TTAB 1992) (motion to dismiss does not involve determination of case merits).

applicant's goods or services to be merely descriptive; rather, it is sufficient that the term describes one significant attribute, function or property of the goods or services. *In re Gyulay*, 820 F.2d 1216, 1218, 3 USPQ2d 1009, 1010 (Fed Cir. 1987); *In re H.U.D.D.L.E.*, 216 USPQ 358, 359 (TTAB 1982); *In re MBAssociates*, 180 USPQ 338, 339 (TTAB 1973). Whether a term is merely descriptive is determined not in the abstract, but in relation to the goods or services for which registration is sought; the context in which it is being used on or in connection with the goods or services, and the possible significance that the term would have to the average purchaser of the goods or services because of the manner of its use; that a term may have other meanings in different contexts is not controlling. *In re Bright-Crest, Ltd.*, 204 USPQ 591, 593 (TTAB 1979). In other words, the question is whether someone who knows what the goods or services are will immediately understand the mark as directly conveying information about them. *In re Tower Tech Inc.*, 64 USPQ2d 1314, 1317 (TTAB 2002); *In re Patent & Trademark Services Inc.*, 49 USPQ2d 1537, 1539 (TTAB 1998); *In re Home Builders Association of Greenville*, 18 USPQ2d 1313, 1317 (TTAB 1990); *In re American Greetings Corp.*, 226 USPQ 365, 366 (TTAB 1985).

Genericness

A mark is a generic name if it refers to the class or category of goods and/or services on or in connection with which it is used. *In re Dial-A-Mattress Operating Corp.*, 240 F.3d 1341, 57 USPQ2d 1807 (Fed. Cir. 2001), *citing H. Marvin Ginn Corp. v. International Ass'n of Fire Chiefs, Inc.*, 782 F.2d 987, 228 USPQ 528 (Fed. Cir. 1986). The test for determining whether a mark is generic is its primary significance

to the relevant public. Trademark Act § 14(3); *see In re American Fertility Society*, 188 F.3d 1341, 51 USPQ2d 1832 (Fed. Cir. 1999); *Magic Wand Inc. v. RDB Inc.*, 940 F.2d 638, 19 USPQ2d 1551 (Fed. Cir. 1991); *H. Marvin Ginn*, 228 USPQ 528. Making this determination “involves a two-step inquiry: First, what is the genus of goods or services at issue? Second, is the term sought to be registered ... understood by the relevant public primarily to refer to that genus of goods or services?” *H. Marvin Ginn*, 228 USPQ at 530. To allege a mark is generic, a party must affirmatively allege that the mark is generic as applied to the specific goods and services for which the mark is registered. *See* Section 14(3) of the Trademark Act, 15 U.S.C. § 1064(3); *see also In re Dial-A-Mattress Operating Corp.*, 240 F.3d 1341, 57 USPQ2d 1807 (Fed. Cir. 2001); *H. Marvin Ginn*, 228 USPQ 528; *Montecash LLC v. Anzar Enterprises, Inc.*, 95 USPQ2d 1060, 1062 (TTAB 2010); *Finanz St. Honore B.V. v. Johnson & Johnson*, 85 USPQ2d 1478, 1480 (TTAB 2007).

Section 18

Section 18, 15 U.S.C. §1068, gives the Board authority to cancel a registration in whole or in part, to restrict the goods or services identified therein or to otherwise restrict or rectify the registration of a registered mark. *See Wellcome Foundation Ltd. v. Merck & Co.*, 46 USPQ2d 1478, 1479 (TTAB 1998). Just as the registration of a mark may be opposed (or cancelled, if the registration is less than five years old) on the Section 2(e)(1) ground that the entire mark, when applied to the goods or services of the applicant (or registrant), is merely descriptive of them, so too it may be on the ground that an undisclaimed portion of the mark is merely descriptive of the

applicant's goods or services (and that the mark should not be registered without a disclaimer of that portion). *Kellogg Co. v. Pack'em Enterprises, Inc.*, 14 USPQ2d 1545, 1549 (TTAB 1990). The Section 18 claim must be specific in nature so that the defendant has fair notice of the specific restriction being sought. *See Eurostar Inc.*, 34 USPQ2d at 1272; *Aries Systems Corp. v. World Book Inc.*, 23 USPQ2d 1742, 1749 (TTAB 1992); *Space Base Inc. v. Stadis Corp.*, 17 USPQ2d 1216, 1218 (TTAB 1990); *Pegasus Petroleum Corp. v. Mobil Oil Corp.*, 227 USPQ 1040, 1044 (TTAB 1985).

Counterclaims

Applicant's first counterclaim alleges that Opposer's HYPERX (Registration Nos. 4162334 and 4316905) marks use the "non-distinctive and/or generic" character "x" which "descriptively implies goods that feature an 'extra' quality and/or implies some other descriptive or generic feature, such as reflecting the [R]oman numeral character for '10' to identify a 10th version of a product"; that use of HYPER with "the non-distinctive character 'x' for electronic and computer goods in the mark HYPERX is likewise merely descriptive, as it simply constitutes a combination of the same prefix 'hyper' and the highly descriptive or generic term 'x'"; that the opposition should be "sustained on the basis of descriptiveness or genericness; and that Registration Nos. 4162334 and 4316905 be cancelled "under Section 18 ... on the basis of descriptiveness." *Answer* at ¶¶ 9-10 and p. 6.

In Applicant's second counterclaim, it alleges that HYPERX BEAST (Registration No. 4452249) should be modified to include a disclaimer of HYPERX under Section 18 "on the basis of descriptiveness." *Answer* at p. 7.

Although Applicant uses the terms descriptive and generic, Applicant has provided little to no facts which support its conclusory allegations of descriptiveness or genericness. Applicant indicates the term X could connote a variety of meanings but fails to allege how X or the term HYPER alone or in combination with X is descriptive and/or generic of Opposer's goods. Instead, Applicant is conclusory in its allegations and fails, for example, to allege how HYPERX, when applied to Opposer's specific goods would be perceived by the consuming public to convey a descriptive meaning or whether Opposer's marks are understood by the relevant public to primarily refer to the genus of goods. By failing to do so, Applicant has not provided Opposer with fair notice of its theories of descriptiveness or genericness.

Further, it is unclear if Applicant's request for relief under Section 18 is intended as a separate pleading of equitable relief or as an amplification of its counterclaims. Regardless, insofar as Applicant has based its Section 18 theory on its claim of descriptiveness, which has not been properly pleaded, the Section 18 claim for relief is not properly pleaded. In other words, it is unclear from the pleadings how the term, HYPERX as used by Opposer, is descriptive and would therefor warrant relief under Section 18.

Based on the foregoing, Applicant's claims are insufficiently pleaded; and the motion to dismiss regarding Applicant's first and second counterclaims, along with the request for relief under Section 18 contained in those counterclaims, is **granted**.

Applicant is allowed **until August 25, 2015** to file amended counterclaims which properly plead descriptiveness and/or genericness and properly plead a Section 18

claim for relief, failing which the counterclaims may be dismissed. Opposer is allowed **until September 25, 2015** to file its answer or otherwise respond to any amended counterclaims.

Proceedings herein are resumed. Dates are reset as follows:

Amended Counterclaim Due	August 25, 2015
Answer to Counterclaim Due	September 25, 2015
Deadline for Discovery Conference	October 20, 2015
Discovery Opens	October 20, 2015
Initial Disclosures Due	November 19, 2015
Expert Disclosures Due	March 18, 2016
Discovery Closes	April 17, 2016
Plaintiff's Pretrial Disclosures	June 1, 2016
30-day testimony period for plaintiff's testimony to close	July 16, 2016
Defendant/Counterclaim Plaintiff's Pretrial Disclosures	July 31, 2016
30-day testimony period for defendant and plaintiff in the counterclaim to close	September 14, 2016
Counterclaim Defendant's and Plaintiff's Rebuttal Disclosures Due	September 29, 2016
30-day testimony period for defendant in the counterclaim and rebuttal testimony for plaintiff to close	November 13, 2016
Counterclaim Plaintiff's Rebuttal Disclosures Due	November 28, 2016
15-day rebuttal period for plaintiff in the counterclaim to close	December 28, 2016
Brief for plaintiff due	February 26, 2017
Brief for defendant and plaintiff in the counterclaim due	March 28, 2017
Brief for defendant in the counterclaim and reply brief, if any, for plaintiff due	April 27, 2017
Reply brief, if any, for plaintiff in the counterclaim due	May 12, 2017

In each instance, a copy of the transcript of testimony, together with copies of documentary exhibits, must be served on the adverse party within thirty days after completion of the taking of testimony. Trademark Rule 2.125.

Briefs shall be filed in accordance with Trademark Rules 2.128(a) and (b). An oral hearing will be set only upon request filed as provided by Trademark Rule 2.129.